



BOARD OF COMMISSIONERS

HILARY COOPER KRIS HOLSTROM LANCE WARING

April 24, 2019

Public Utilities Commission

Re: PUC Review of Electric Utilities Regulation

Dear Public Utility Commission,

In San Miguel County we are served by our Rural Electric Cooperative, San Miguel Power Association (SMPA). SMPA is a member of Tri-State Generation and Transmission.

As a rate payer we are, along with our residents, subject to Tri-States' rate hikes and what we consider ill-advised reliance on expensive coal power without oversight from the PUC. From our perspective Investor Owned Utilities (IOU's), regulated by the PUC, are more responsive to rate payers and at this time are more actively investing in less expensive and more responsible renewable energy sources. Our rural western slope communities already struggling with the higher costs of health care and housing are additionally burdened with increasing electric costs. In addition, Tri-State's restrictive purchase contract with SMPA prevents our coop from purchasing more locally produced renewable energy, generally produced at a rate lower than Tri-State's wholesale rate.

The Board of Commissioners of San Miguel County have repeatedly adopted goals of moving our organization toward 100 percent renewable energy sources as soon as possible. This may not be possible under the current Tri-State contracts. We ask that Tri-State be subject to the same regulations as other electric utilities in the State to ensure that our residents and businesses are paying comparable rates for electricity and if we choose to pursue more renewable energy sources we have the option to do so.

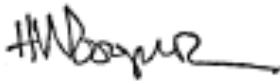
Many rural areas in the west, within Tri-State's service territory, have opportunities to improve infrastructure for a transition to cleaner more cost-effective energy. We are asking for equal access to new, clean, lower cost electricity including local sources that provide local jobs. Tri-State's restrictive contracts are discriminating against these local and renewable sources.

We ask the PUC to require Tri-State to conduct an economic analysis of existing resources to examine existing sources with new resources to ensure that our residents and businesses are paying fair market rates for our electricity and have the ability to create new jobs with local energy production.

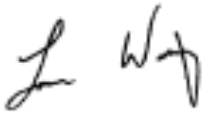
Sincerely,
SAN MIGUEL COUNTY, COLORADO
BOARD OF COUNTY COMMISSIONERS

A handwritten signature in black ink, appearing to read "Kris Holstrom".

Kris Holstrom, Chair

A handwritten signature in black ink, appearing to read "Hilary Cooper".

Hilary Cooper, Vice Chair

A handwritten signature in black ink, appearing to read "Lance Waring".

Lance Waring, Commissioner